

Appl. No. 10/072,379  
Amdt. dated December 30, 2003  
Reply to Office Action of October 2, 2003

PATENT

**Amendments to the Drawings:**

The attached two sheets of drawings include changes to Figs. 1 and 7. These sheets replace the original sheets including Figs. 1 and 7.

Also attached are annotated sheets (marked in red) showing the changes to Figs. 1 and 7.

Attachment: Replacement Sheet  
                  Annotated Sheet Showing Changes

**REMARKS/ARGUMENTS**

This Amendment is in response to the Office Action of October 2, 2003, in which the Examiner (1) objected to the Abstract because of the term "comprising," (2) objected to the drawings for not showing every feature in claims 11, 18 and 19; (3) rejected claims 1-10, 12-17 and 19 under 35 USC 103(a) as being unpatentable over **Nagaoka** (JP Patent No. 2001-148070A) in view of **Chang** (US Patent No. 6,550,701) and **Vulcano** (US Patent No. 4,447,715); and (4) provisionally rejected claims 1-19 under the judicially created doctrine of obviousness-type double patenting over claims 1-22 of copending Application No.10/222,132. The Examiner indicated claims 11 and 18 would be allowed if rewritten to incorporate limitations of base claims and to overcome the nonstatutory double patenting rejection.

By the present amendment, Applicants have amended the specification to change the abstract (as required by the Examiner) and to accommodate changes to the drawings, have amended claims 1, 12 and 14, and have amended the drawings.

The drawings have been amended to include the elements of the card and magnetic stripe (Fig. 1) and the audit record (Fig. 7). Such elements are described at numerous places in the specification as originally filed (e.g., page 2, lines 12 - 14, page 3, lines 18 - 21, page 4, line 21, and page 6, line 10), and thus the amendments do not constitute new matter.

In regard to rejection of the claims, Applicants respectfully traverse such rejection. Applicants' invention is directed to providing a efficient and reliable destruction system, where an automatic record of the destruction is made. As recited in claim 1 (as amended), the system includes a card destruction system having a card reader to read identification information from the card, a controller, and a delivery sensor to sense when the card is delivered to a destruction device. The controller is "configured to receive the identification information in order to identify the card" and "to produce an automatic record of the destruction based on the identification information and in response to the signal from the sensor". Such a system is neither shown or suggested in the cited references, either alone or as combined by the Examiner.

The primary reference cited by the Examiner (**Nagaoka**), discloses a system for destroying prepaid cards used with pachinko machines, wherein the card is destroyed if it has a zero balance. There is not shown (nor is there any need for) an arrangement for providing an automatic record of the destruction, nor is there shown any means for reading "identification information" from the card in order to identify the card for destruction. While the Examiner states that reading the remaining balance in **Nagaoka** meets Applicants' recitation of reading identification information, Applicants believe such an interpretation ignores the purpose and intent of Applicants' invention (to produce an audit report of the destruction), since the cards in **Nagaoka** only carry balance information and not the identity of the card. There would be no reason nor any suggestion in **Nagaoka** to have such an audit record. Because there is no record of destruction in **Nagaoka**, there is likewise not shown (nor any need for) a sensor to sense when the card is delivered for destruction.

**Chang** shows a dual function shredding machine that could be used to destroy paper or expired credit cards, with sensors (switches 16 and 17) at different openings or imports to detect which kind of material is to be destroyed (so that different materials can be separated for disposal). Unlike Applicants' invention, there is no identification information read from material to be destroyed, nor any report on destruction in response to the detection of materials presented for destruction. **Vulcano** discloses a system for sorting and counting returned book covers. The system includes a "housekeeping master computer 338" for counting destroyed covers for billing purposes.

While the Examiner states that it would have been obvious to combine the references to meet the limitations of the present invention, there is nothing in **Nagaoka**, **Chang** or **Vulcano** that provides a suggestion, reason or motivation for such a combination. Applicants' invention is for the destruction of cards (not different kinds of materials as in **Chang**) having identification information thereon. There is no reason for adding the sensors of **Chang** to **Nagaoka**, since **Nagaoka** is not concerned with providing a record (and hence would have no purpose for such a sensor). The purpose of the sensor in **Chang** (sorting materials for disposal) is much different than the sensor in Applicants' invention (i.e., a sensor "to sense when the card is delivered to a card destruction device" and working with the controller "to produce an

automatic record of the destruction based on the identification information and in response to the signal from the sensor"). **Vulcano** shows a counting function provided by "housekeeping master computer 338", but does not teach or suggest (or have any reason for) a sensor for sensing "when the card is delivered to a card destruction device". Applicants' invention is not for the purpose of counting as in **Vulcano**, and the function of merely counting (as in **Vulcano**) does not provide the reliable audit record as in Applicants' invention, which is important in the destruction of credit cards and other valuable items having identification information. If Applicants' invention were concerned with merely counting, such counting could be provided by the card reader 64 in Applicants' system, rather than the separate sensor 94, which provides the important function of assuring that the card is provided to the shredder in order to produce the record of destruction. Applicants' invention is for the purpose of creating an audit record of the destruction (e.g., Applicants' recited controller "to produce an automatic record of the destruction based on the identification information and in response to the signal from the sensor"), which is not taught, shown or suggested in any of the cited references, either alone or as combined.

Independent claims 12 and 14 have been amended to recite limitations similar to those in claim 1 and they (as well as the dependent claims) are likewise distinguishable from the cited references.

Applicants have noted the provisional double patenting rejection, but believe such rejection need not be addressed until either the present application or co-pending Application No. 10/222,132 is allowed.

### CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.



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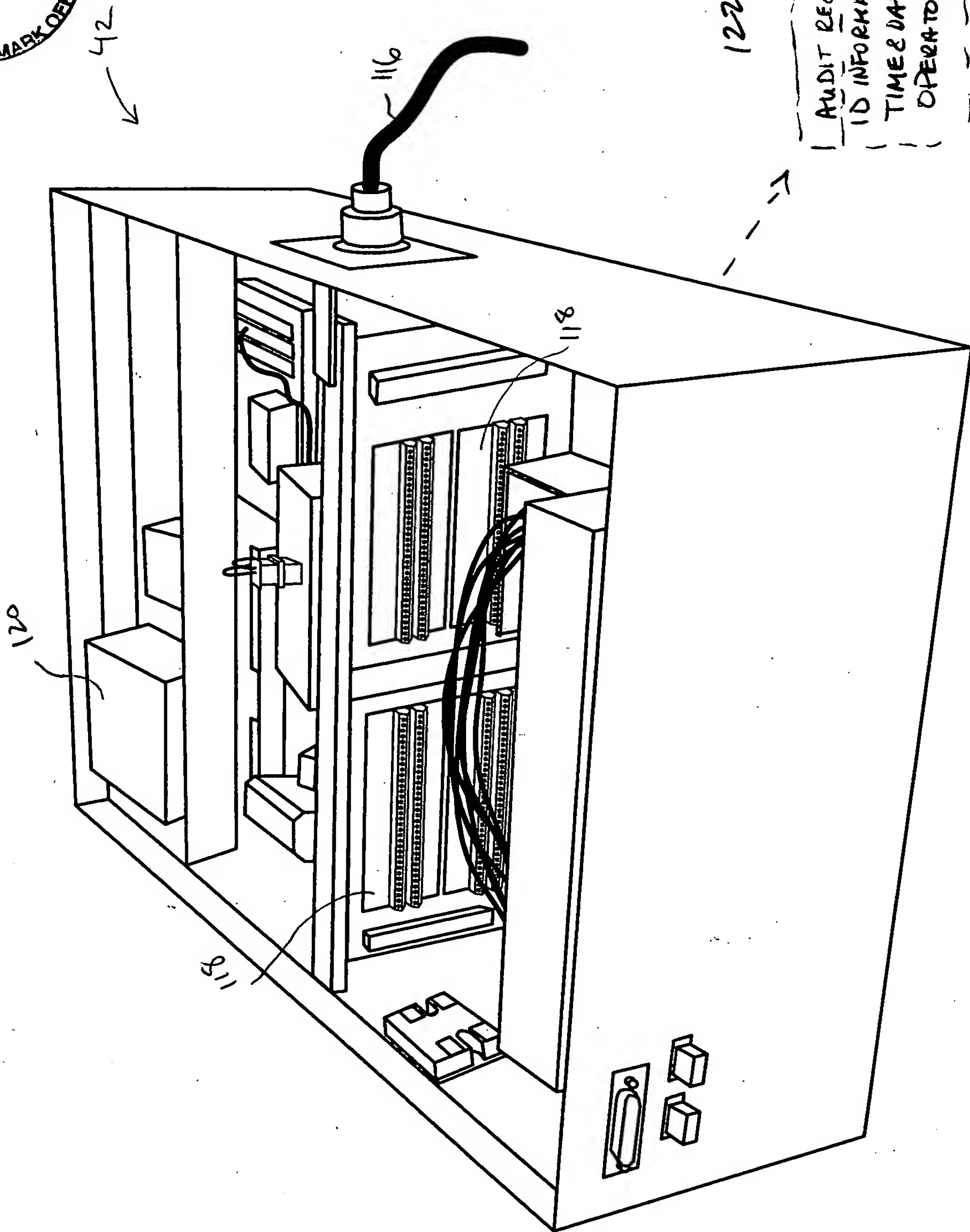
If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,

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AUDIT RECORD  
 ID INFORMATION  
 TIME & DATE  
 OPERATOR

FIG. 7

